

BLOCK PARTY | By Laura Kusisto

# New Digs at Lincoln Harbor

While New Jersey's Gold Coast is already lined with hundreds of new residential units, a developer is betting it can remake Weehawken's commercial waterfront into yet another residential enclave.

Weehawken's Lincoln Harbor, near the mouth of the Lincoln Tunnel to Manhattan, features a marina lined with sailboats and a handful of popular restaurants, such as outlets of the Houlihan's and Chart House chains.

But the 95-acre Lincoln Harbor waterfront, most of which is zoned as a commercial district, has been dominated by office towers and a Sheraton hotel.

Now Hartz Mountain Industries Inc., which purchased much of the land on Lincoln Harbor in the early 1980s, plans to build a massive, 581-unit rental complex at Lincoln Harbor.

The \$200 million project will be built in three phases, with eight-story buildings clustered around a village green-type space.

Rents for Hartz's project haven't yet been determined, but are expected to be in line with other luxury buildings in New Jersey, such as the Monaco in Jersey City, where a studio rents for \$2,200 a month and a three-bedroom goes for \$7,500.

For Hartz, the Lincoln Harbor project has been three decades in the making. "We take a long-term view," said Emanuel Stern, president of Hartz Mountain.

Hartz bought the site around 1981, with a multi-phase plan that began with building 2 million square feet of commercial space. That space was completed 20 years ago and includes office towers in which UBS AG is one of the largest tenants as well as the 350-room Sheraton Lincoln Harbor Hotel.

In the early 1990s, Hartz planned to move forward with the next phase to construct two office towers of 10 to 12 stories each.

The plan hit a roadblock, when Hartz became mired for a decade in a lawsuit by the American Littoral Society, an environmental group that said the new development would block the view of commuters stuck in traffic near the entrance of the Lincoln Tunnel.

The lawsuit settled in 2000, when Hartz agreed to build shorter towers. But by then, New Jersey's office market was already hitting bumps, so Hartz succeeded in having the site rezoned for residential construction.

Hartz owns a couple of other sites on Lincoln Harbor suitable for development, which could also potentially be rezoned for residential construction.

A stagnant office market isn't normally the ingredient for a residential boom, but New Jersey's coastline has seen more than a dozen new projects sprout up in the last few years.

In part that's because developers in recent years have



Claudio Papapietro for The Wall Street Journal

Above, the site of a residential development planned by Hartz Mountain Industries in the Lincoln Harbor area of Weehawken. Below, rendering of the \$200 million project, which is slated to include eight-story buildings.



Dean Marchetto Architects



been increasingly successful in inducing Manhattan residents to move to New Jersey by offering high-end amenities that mimic Manhattan's luxury projects.

"The Gold Coast of New Jersey has begun to rival Manhattan, with the same level of luxury, with added amenities and all at a much better price," said Martin Brady, vice president of sales for the Marketing Directors Inc., which is handling sales or leasing for a number of projects in the area.

Hartz Mountain's new rental also will offer many of

the features now commonly found in upscale Manhattan rentals, including a golf simulator, rooftop deck with pool, fire pit and hot tub, and a children's playroom.

Still, the new Lincoln Harbor project will face some stiff competition from new residential construction to the north in Edgewater and to the south in Hoboken. Both those communities have significantly more retail and existing residential construction than in Lincoln Harbor.

On Hoboken's waterfront, Toll Brothers has three major

residential projects, including the Hudson Tea project in the former Lipton Tea factory. Toll has received commitments for 40% of a 157-unit condo project at 1450 Washington St. since June.

Edgewater's waterfront has also seen hundreds of new units, with significantly more new retail to accompany it.

Lincoln Harbor boasts a key advantage in its direct access to a ferry terminal, just a five-minute ride from Manhattan's West Side.

Still, once ferry commuters reach it across the Hudson, they have to transfer to a bus to reach most areas in Midtown.

That, plus the lack of retail, are clear drawbacks to attracting former Manhattan residents to Lincoln Harbor.

The neighborhood does boast one existing residential project—the Riva Pointe condos jutting 1,000 feet into the Hudson River. That complex, built a couple of decades ago, attracts a number of young professionals who work either in Manhattan or New Jersey.

"You have a view of the city, instead of just looking at high rises," said Ronen Elrom, chief operating officer at GoPlanit, an Internet start-up. He moved to Lincoln Harbor about 2½ years ago from an apartment on the Upper East Side.

"It's cost effective and good for the soul," he said of living on the water.